



DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

C-580-913, C-821-834

Oil Country Tubular Goods from the Republic of Korea and the Russian Federation:
Countervailing Duty Orders

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: Based on affirmative final determinations by the U.S. Department of Commerce (Commerce) and the U.S. International Trade Commission (ITC), Commerce is issuing countervailing duty orders on oil country tubular goods (OCTG) from the Republic of Korea (Korea) and the Russian Federation (Russia).

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Melissa Porpotage (Korea) and Theodore Pearson (Russia), AD/CVD Operations, Offices I and II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1413 and (202) 482-2631, respectively.

SUPPLEMENTARY INFORMATION:

Background

In accordance with section 705(d) of the Tariff Act of 1930, as amended (the Act), on September 29, 2022, Commerce published its affirmative final determinations in the countervailing duty investigations of OCTG from Korea and Russia.¹ On November 14, 2022, the ITC notified Commerce of its affirmative final determinations that an industry in the United

¹ See *Oil Country Tubular Goods from the Republic of Korea: Final Affirmative Countervailing Duty Determination*, 87 FR 59056 (September 29, 2022) (*Korea Final Determination*); see also *Oil Country Tubular Goods from the Russian Federation: Final Affirmative Countervailing Duty Determination and Final Negative Critical Circumstances Determination*, 87 FR 59057 (September 29, 2022).

States is materially injured within the meaning of section 705(b)(1)(A)(i) of the Act, by reason of subsidized imports of subject merchandise from Korea and Russia.²

Scope of the Orders

The products covered by these orders are OCTG from Korea and Russia. For a complete description of the scope of the orders, *see* the appendix to this notice.

Countervailing Duty Orders

As noted above, on November 14, 2022, in accordance with section 705(d) of the Act, the ITC notified Commerce of its final determinations in these investigations, in which it found that an industry in the United States is materially injured by reason of subsidized imports of OCTG from Korea and Russia.³ Therefore, in accordance with section 705(c)(2) of the Act, Commerce is issuing these countervailing duty orders. Because the ITC determined that imports of OCTG from Korea and Russia are materially injuring a U.S. industry, unliquidated entries of such merchandise from Korea and Russia, entered or withdrawn from warehouse for consumption, are subject to the assessment of countervailing duties.

In accordance with section 706(a) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to assess, upon further instruction by Commerce, countervailing duties for all relevant entries of OCTG from Korea and Russia. Regarding Korea, because Commerce made a preliminary negative countervailing duty determination,⁴ Commerce did not direct CBP to suspend liquidation or to require a cash deposit of estimated countervailing duties for entries of OCTG from Korea on or after March 14, 2022, the date of publication of the *Korea Preliminary Determination*. However, because Commerce made a final affirmative countervailing duty determination, Commerce directed CBP to begin suspension of liquidation of OCTG from Korea entered, or withdrawn from warehouse, for consumption on or after

² See ITC Letter, “Chairman Transmittal of Determinations to Commerce,” dated November 14, 2022.

³ *Id.*

⁴ See *Oil Country Tubular Goods from the Republic of Korea: Preliminary Negative Countervailing Duty Determination and Alignment of Final Determination with Final Antidumping Duty Determination*, 87 FR 14248 (March 14, 2022) (*Korea Preliminary Determination*).

September 29, 2022, the date of publication of the *Korea Final Determination*.⁵ Regarding Russia, with the exception of entries occurring after the expiration of the provisional measures period and before the publication of the ITC's final affirmative injury determinations, as further described below, countervailing duties will be assessed on unliquidated entries of OCTG from Russia entered, or withdrawn from warehouse, for consumption on or after March 14, 2022, the date of publication of the *Russia Preliminary Determination*.⁶

Suspension of Liquidation

In accordance with section 706 of the Act, Commerce will instruct CBP to continue to suspend liquidation of all relevant entries of OCTG from Korea. For Russia, Commerce will instruct CBP to reinstitute the suspension of liquidation of OCTG from Russia, effective on the date of publication of the ITC's final affirmative injury determination in the *Federal Register*. These instructions suspending liquidation will remain in effect until further notice.

Commerce also intends, pursuant to section 706(a)(1) of the Act, to instruct CBP to assess countervailing duties for each entry of the subject merchandise in an amount based on the net countervailable subsidy rates below. On or after the date of publication of the ITC's final injury determination in the *Federal Register*, CBP must require, at the same time as importers would deposit estimated normal customs duties on this merchandise, a cash deposit equal to the rates listed in the table below. The all-others rate applies to all producers or exporters not specifically listed, as appropriate.

Because the countervailable subsidy rate is *de minimis* for subject merchandise produced and exported by Hyundai Steel Corporation, entries of shipments of subject merchandise from this producer/exporter combination are excluded from the countervailing duty order on subject merchandise from Korea.

Korea

⁵ See *Korea Final Determination*, 87 FR at 59057.

⁶ See *Oil Country Tubular Goods from the Russian Federation: Preliminary Affirmative Countervailing Duty Determination, Preliminary Negative Critical Circumstances Determination, and Alignment of Final Determination with Final Antidumping Duty Determination* 87 FR 14249 (March 14, 2022) (*Russia Preliminary Determination*).

Producer/Exporter	Subsidy Rate (percent <i>ad valorem</i>)
Hyundai Steel Company ⁷	0.25 (<i>de minimis</i>)
SeAH Steel Corporation ⁸	1.33
All Others	1.33

Russia

Producer/Exporter	Subsidy Rate (percent <i>ad valorem</i>)
Volzhsky Pipe Plant, Joint Stock Company; Sinarsky Pipe Plant, Joint Stock Company; Seversky Pipe Plant, Joint Stock Company; Taganrog Metallurgical Plant, Joint Stock Company; Orsky Machine Building Plant, Joint Stock Company; and PAO TMK ⁹	1.30
JSC Vyksa Steel Works ¹⁰	1.59
All Others	1.43

Provisional Measures

Section 703(d) of the Act states that suspension of liquidation pursuant to an affirmative preliminary determination may not remain in effect for more than four months. For Russia, in the underlying investigation, Commerce published the *Russia Preliminary Determination*, which was affirmative, on March 14, 2022. Therefore, the four-month period beginning on the date of the publication of the *Russia Preliminary Determination* ended on July 11, 2022.

In accordance with section 703(d) of the Act, we instructed CBP to terminate the suspension of liquidation and to liquidate, without regard to countervailing duties, unliquidated entries of OCTG from Russia entered, or withdrawn from warehouse, for consumption after July 11, 2022, the final day on which the provisional measures were in effect, until and through the

⁷ Hyundai Steel Company must be both the producer and exporter of the subject merchandise for purposes of this rate application.

⁸ Commerce has found the following company to be cross-owned with SeAH Steel Corporation: SeAH Steel Holding Corporation.

⁹ Commerce has found the following companies to be cross-owned with Volzhsky Pipe Plant, Joint Stock Company: TMK Neftegasservice-Nizhnevartovsk, Joint Stock Company; TMK Neftegasservice-Buzuluk, Limited Liability Company; Russian Research Institute of the Tube & Pipe Industries, JSC; and Scientific and Technical Center TMK, LLC.

¹⁰ Commerce has found the following companies to be cross-owned with JSC Vyksa Steel Works: BusinessOptima; Metallolomaya Company OMK—Ecometall; United Metallurgical Company; and Joint-Stock Company Trubodetal.

day preceding the date of publication of the ITC’s final injury determination in the *Federal Register*. Suspension of liquidation and the collection of cash deposits will resume on the date of publication of the ITC’s final determination in the *Federal Register*.

Establishment of the Annual Inquiry Service Lists

On September 20, 2021, Commerce published the final rule titled “*Regulations to Improve Administration and Enforcement of Antidumping and Countervailing Duty Laws*” in the *Federal Register*.¹¹ On September 27, 2021, Commerce also published the notice titled “*Scope Ruling Application; Annual Inquiry Service List; and Informational Sessions*” in the *Federal Register*.¹² The *Final Rule* and *Procedural Guidance* provide that Commerce will maintain an annual inquiry service list for each order or suspended investigation, and any interested party submitting a scope ruling application or request for circumvention inquiry shall serve a copy of the application or request on the persons on the annual inquiry service list for that order, as well as any companion order covering the same merchandise from the same country of origin.¹³

In accordance with the *Procedural Guidance*, for orders published in the *Federal Register* after November 4, 2021, Commerce will create an annual inquiry service list segment in Commerce’s online e-filing and document management system, Antidumping and Countervailing Duty Electronic Service System (ACCESS), available at <https://access.trade.gov>, within five business days of publication of the notice of the order. Each annual inquiry service list will be saved in ACCESS, under each case number, and under a specific segment type called “AISL-Annual Inquiry Service List.”¹⁴

¹¹ See *Regulations to Improve Administration and Enforcement of Antidumping and Countervailing Duty Laws*, 86 FR 52300 (September 20, 2021) (*Final Rule*).

¹² See *Scope Ruling Application; Annual Inquiry Service List; and Informational Sessions*, 86 FR 53205 (September 27, 2021) (*Procedural Guidance*).

¹³ *Id.*

¹⁴ This segment will be combined with the ACCESS Segment Specific Information (SSI) field, which will display the month in which the notice of the order or suspended investigation was published in the *Federal Register*, also known as the anniversary month. For example, for an order under case number A-000-000 that published in the *Federal Register* in January, the relevant segment and SSI combination will appear in ACCESS as “AISL-January Anniversary.” Note that there will be only one annual inquiry service list segment per case number, and the anniversary month will be pre-populated in ACCESS.

Interested parties who wish to be added to the annual inquiry service list for an order must submit an entry of appearance to the annual inquiry service list segment for the order in ACCESS within 30 days after the date of publication of the order. For ease of administration, Commerce requests that law firms with more than one attorney representing interested parties in an order designate a lead attorney to be included on the annual inquiry service list. Commerce will finalize the annual inquiry service list within five business days thereafter. As mentioned in the *Procedural Guidance*, the new annual inquiry service list will be in place until the following year, when the *Opportunity Notice* for the anniversary month of the order is published.

Commerce may update an annual inquiry service list at any time as needed based on interested parties' amendments to their entries of appearance to remove or otherwise modify their list of members and representatives, or to update contact information. Any changes or announcements pertaining to these procedures will be posted to the ACCESS website at <https://access.trade.gov>.

Special Instructions for Petitioners and Foreign Governments

In the *Final Rule*, Commerce stated that, “after an initial request and placement on the annual inquiry service list, both petitioners and foreign governments will automatically be placed on the annual inquiry service list in the years that follow.”¹⁵ Accordingly, as stated above, the petitioners and the Governments of Korea and Russia should submit their initial entry of appearance after publication of this notice in order to appear in the first annual inquiry service list. Pursuant to 19 CFR 351.225(n)(3), the petitioners and the Governments of Korea and Russia will not need to resubmit their entries of appearance each year to continue to be included on the annual inquiry service list. However, the petitioners and the Governments of Korea and Russia are responsible for making amendments to their entries of appearance during the annual update to the annual inquiry service list in accordance with the procedures described above.

¹⁵ See *Final Rule*, 86 FR at 52335.

Notification to Interested Parties

This notice constitutes the countervailing duty orders with respect to OCTG from Korea and Russia pursuant to section 706(a) of the Act. Interested parties can find a list of countervailing duty orders currently in effect at <https://enforcement.trade.gov/stats/iastats1.html>.

These countervailing orders are issued and published in accordance with section 706(a) of the Act and 19 CFR 351.211(b).

Dated: November 16, 2022

Lisa W. Wang
Assistant Secretary
for Enforcement and Compliance

Appendix

Scope of the Orders

The merchandise covered by these orders is certain OCTG, which are hollow steel products of circular cross-section, including oil well casing and tubing, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, regardless of end finish (*e.g.*, whether or not plain end, threaded, or threaded and coupled) whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished (including limited service OCTG products) or unfinished (including green tubes and limited service OCTG products), whether or not thread protectors are attached. The scope of these orders also covers OCTG coupling stock.

Subject merchandise includes material matching the above description that has been finished, packaged, or otherwise processed in a third country, including by performing any heat treatment, cutting, upsetting, threading, coupling, or any other finishing, packaging, or processing that would not otherwise remove the merchandise from the scope of these orders if performed in the country of manufacture of the OCTG.

Excluded from the scope of these orders are: casing, tubing, or coupling stock containing 10.5 percent or more by weight of chromium; drill pipe; unattached couplings; and unattached thread protectors.

The merchandise subject to these orders is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7304.29.1010, 7304.29.1020, 7304.29.1030, 7304.29.1040, 7304.29.1050, 7304.29.1060, 7304.29.1080, 7304.29.2010, 7304.29.2020, 7304.29.2030, 7304.29.2040, 7304.29.2050, 7304.29.2060, 7304.29.2080, 7304.29.3110, 7304.29.3120, 7304.29.3130, 7304.29.3140, 7304.29.3150, 7304.29.3160, 7304.29.3180, 7304.29.4110, 7304.29.4120, 7304.29.4130, 7304.29.4140, 7304.29.4150, 7304.29.4160, 7304.29.4180, 7304.29.5015, 7304.29.5030, 7304.29.5045, 7304.29.5060, 7304.29.5075, 7304.29.6115, 7304.29.6130, 7304.29.6145, 7304.29.6160, 7304.29.6175, 7305.20.2000, 7305.20.4000, 7305.20.6000, 7305.20.8000, 7306.29.1030, 7306.29.1090, 7306.29.2000, 7306.29.3100, 7306.29.4100, 7306.29.6010, 7306.29.6050, 7306.29.8110, and 7306.29.8150.

The merchandise subject to these orders may also enter under the following HTSUS item numbers: 7304.39.0024, 7304.39.0028, 7304.39.0032, 7304.39.0036, 7304.39.0040, 7304.39.0044, 7304.39.0048, 7304.39.0052, 7304.39.0056, 7304.39.0062, 7304.39.0068, 7304.39.0072, 7304.39.0076, 7304.39.0080, 7304.59.6000, 7304.59.8015, 7304.59.8020, 7304.59.8025, 7304.59.8030, 7304.59.8035, 7304.59.8040, 7304.59.8045, 7304.59.8050, 7304.59.8055, 7304.59.8060, 7304.59.8065, 7304.59.8070, 7304.59.8080, 7305.31.4000, 7305.31.6090, 7306.30.5055, 7306.30.5090, 7306.50.5050, and 7306.50.5070.

The HTSUS subheadings and specifications above are provided for convenience and customs purposes only. The written description of the scope of these orders is dispositive.
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